



## ALASKA EDUCATION LOAN REFINANCING PROGRAM APPLICATION AND PROMISSORY NOTE PACKET COSIGNER AGREEMENT PACKET

### Features

- No origination fee
- 4.95% (4.95% APR) fixed interest rate
- Your choice of a 5, 10, or 15-year repayment plan
- One monthly bill
- No prepayment penalties
- Serviced in Alaska by Alaskans

### Eligibility

- U.S. citizen or permanent resident
- Alaska resident
- Be the borrower, cosigner, or student beneficiary on loans being refinanced
- FICO credit score of at least 720
- Be employed or have income sufficient to repay the refinanced loan

### Instructions

**You must submit all required documentation for your application to be processed.** The biggest factor impacting the length of the loan process is how quickly the additional documents, described below, are returned to ACPE. It is important to know Alaska Refinancing Loan funds are limited and requests are processed on a first-come, first-served basis. Your application is not a placeholder and if the funds are exhausted before the required documents are received, ACPE will be unable to process your request.

#### Here Is What You Will Need to Apply:

- Employment status
- Primary borrower's name and SSN
- Two references
- The Application ID associated with the primary borrower's application

#### Additional Documentation Required:

- ➔ If you are not employed, please provide verification of income, including:
  - A copy of your most recent federal income tax return or tax transcript;
  - Documentation of any additional income you receive (investments, rental income, retirement or pension payments); and
  - A statement to self-certify that the income source is long-term and sufficient to repay the loan (email or letter).

#### Next Steps for You and Us:

- ➔ Complete and sign your application in ink. Make a copy for your records and mail the original application to ACPE at the address listed above.
- ➔ The supporting documentation can be emailed to [ACPE@alaska.gov](mailto:ACPE@alaska.gov) or faxed to 907-465-5316. As soon as we receive all required documentation, we'll review your application and determine your final eligibility.
- ➔ If approved, we'll send a copy of the Loan Approval Disclosure (LAD) to the address on your application, giving you the dollar amount of your loan and important cost information. The primary borrower must accept the LAD before the offer cancellation date in order to finalize the loan.



**Did you know, by applying at [acpe.alaska.gov](http://acpe.alaska.gov), you can submit this application online and be pre-approved for a loan in as little as 15 minutes!**



## Alaska Refinancing Loan 2017/2018 Application and Promissory Note COSIGNER AGREEMENT PACKET

### Loan Terms and Conditions

The Alaska Commission on Postsecondary Education (ACPE) services the education loans owned by the Alaska Student Loan Corporation (ASLC). Loans are made and serviced in accordance with applicable Alaska statutes, regulations, and policies, including AS 14.43.122 - 160, 20 AAC 14.200 - 14.900 and 20 AAC 15.910 -15.990, as amended from time to time, which are incorporated by reference into this Note. This loan is governed and construed in accordance with the laws of the state of Alaska. Any action to enforce the Note must be adjudicated exclusively in Alaska.

#### A. Eligibility Requirements:

In order to qualify for this loan, you must:

1. be a U.S. citizen or a permanent resident;
2. be an Alaska resident;
3. be an obligated party or student beneficiary on the loan being refinanced;
4. have a credit history that demonstrates good credit, including a FICO score of at least 720; and
5. be employed or document income sufficient to repay the refinance loan.

#### B. Conditions and Limitations of Loans:

Other qualifying requirements and loan limitations include:

1. if the refinancing loan exceeds \$50,000 and the applicant was the student recipient of the underlying loan(s), the applicant must have earned the credential for which the funds were awarded;
2. an applicant refinancing must include all eligible outstanding ACPE state education loans with the option to exclude the Teacher Education Loan (TEL), A.W. Winn Brindle Memorial Scholarship Loan (WB), and the Washington, Wyoming, Alaska, Montana, Idaho (WWAMI) Loan. In addition, all ACPE federal loans may be excluded.

#### C. Credit Assessment:

Your credit history will be reviewed to ensure you meet the minimum credit requirements. To qualify for the Alaska Refinancing Loan, you must have a FICO credit score of at least 720 and be employed or document income sufficient to repay the refinance loan.

#### D. Interest:

The loan has a fixed interest rate of 4.95%. Interest begins to accrue on the unpaid principal balance of the loan when originated and continues until the loan is paid in full. Capitalization of interest is permitted. Generally, interest is capitalized when your loan changes from a non-repayment status to repayment. Accrued and unpaid interest and collection fees must be satisfied before payments are applied to principal.

#### E. Fees:

There is no origination fee. If your loan becomes past due in payment, you will be responsible for collection agency fees and/or legal fees.

### CONSUMER ALERTS

Consider very carefully if cosigning is the right choice for you. Read and understand the terms and conditions of the refinance loan carefully.

Failure to timely repay this loan may result in, but is not limited to:

- Adverse reports to consumer reporting agencies
- Additional interest cost over the life of the loan
- Assessment of collection costs
- Seizure of your Alaska Permanent Fund Dividend
- Denial of renewal of Alaska occupational or professional licenses
- Administrative wage garnishment and garnishment of assets
- Lien against real property

#### F. Annual Percentage Rate (APR):

The Alaska Refinancing Loan has an APR of 4.95%. The APR is the yearly cost of borrowing money, shown as a percent of the amount you borrowed. The APR is calculated based on the loan's unpaid interest, principal balance and the remaining months to repay.

This Table Represents Estimated Rates	Interest Rate	APR
Principal Loan Amount \$10,000	4.95%	4.95%
<i>The APR in this example is based on a principal loan amount of \$10,000, a minimum monthly payment of \$105.82, a repayment term of 10 years, and no origination fee.</i>		

#### Required Information for Members of the Armed Forces and their Dependents:

Federal law provides important protections to members of the Armed Forces and their dependents relating to extensions of consumer credit. In general, the cost of consumer credit to a member of the Armed Forces and his or her dependent may not exceed an annual percentage rate of 36 percent. This rate must include, as applicable to the credit transaction or account: The costs associated with credit insurance premiums; fees for ancillary products sold in connection with the credit transaction; any application fee charged (other than certain application fees for specified credit transactions or accounts); and any participation fee charged (other than certain participation fees for a credit card account).

To receive this information verbally, if you are not sure if this information applies to you, or to request a payment schedule, call 800-441-2962. **Note:** this information is provided to meet federal advisory requirements only. The interest rate on this loan is 4.95%.

### **G. Loan Limits:**

The minimum loan amount is \$7,500. An applicant for a loan of \$80,000 or greater may be subject to additional credit-worthiness review.

### **H. Repayment:**

Generally, you must repay the loan in monthly installments of the greater of \$100 or the amount to repay the loan within the repayment period. You will have the choice of a 5, 10, or 15 year repayment term.

### **I. Americans With Disabilities Act Compliance:**

Otherwise qualified individuals shall not, on the basis of a disability, be discriminated against or excluded from participation in, or the benefits of, the services, programs or activities of ASLC or ACPE. Please notify ACPE if you need a disability accommodation. ACPE does not discriminate on any other basis.

### **J. Information Sharing and Privacy Act Notice:**

Information you provide in this application will be used to verify your identity; to determine eligibility; to service the loan; to maintain current

contact information; and to collect on a delinquent or defaulted loan. This information may be furnished to holders of this and other ASLC or ACPE Alaska education loans made to you; to government agencies or private parties who may be able to provide information necessary to assist in the servicing or collection of the loan; or as needed to contractors and other third parties involved in servicing the loan. Disclosure of your social security number (SSN) is required as a condition for participation in the loan program and is allowed under Section 7(a)(2) of the Privacy Act of 1974 (Pub. L. 93-579). The SSN will be used to verify your identity, and although not used as the account number, may be used to identify account holders throughout the life of the loan.

ACPE may use your SSN to access state or federal databases and other resources to determine your eligibility for administrative action or administrative garnishment in cases of default.

ACPE and any contracted servicers, including debt collectors, will use all phone numbers, including cell phone numbers you provide, in the servicing of this loan. By providing ACPE or any of its servicers with a telephone number, including a cell phone number, you are giving permission for any of these parties to call you on that number, including calls placed by automated dialing systems leaving virtual messages.

*A copy of ACPE's Privacy Policy is available on our website at [acpe.alaska.gov/Privacy](http://acpe.alaska.gov/Privacy).*

## **Cosigner Responsibilities and Agreements**

### **A. Credit Reporting:**

The status of this loan may be reported to nationwide consumer reporting agencies on a regular basis until the loan is paid in full.

### **B. Payoff Amount for Underlying Loan:**

I understand ACPE will estimate a payoff amount for each underlying loan, based on information provided during the application process by me or my loan holder. The payment made by ACPE may be more or less than the amount required to pay the loan in full. The payment made on my behalf, will include estimated unpaid principal, interest and other costs based on the information reported on the application or provided by the holder/servicer of my loan.

### **C. Payment to Existing Loan Holder:**

I authorize ACPE to send payment directly to each loan holder/servicer for each loan I have requested to be included in my refinance. If the amount ACPE provides exceeds the payoff amount, I authorize the loan holder/servicer to refund the excess to ACPE, and authorize ACPE to apply that refund as a payment to my indebtedness. If the amount ACPE provides to a loan holder/servicer is less than the amount needed to pay off the balance, I understand I am responsible for any remaining balance.

### **D. Late Charges and Collection Costs:**

I understand I am responsible for all fees and costs incurred in the collection of this loan including actual attorney fees and costs, late fees, and collection fees if this loan becomes delinquent or defaulted.

### **E. Changes Requiring Notification:**

I agree to report to ACPE, in writing within 30 days, any change in my contact information or my ability to make scheduled payments. In the event bankruptcy proceedings are commenced by or against me, I agree to notify ACPE, in writing, within 20 days after the petition is filed.

### **F. Default:**

Any of the following events may constitute a default:

1. failure to make any required loan payment or portion thereof within 180 days of its due date;
2. failure to notify ACPE within 30 days after a change in my contact information or ability to make payments as scheduled, including any name;
3. failure to notify ACPE within 20 days of a bankruptcy petition being filed against me; or
4. making any statement of representation on the application and/or supporting documents for the loan, or in any subsequent communication with ACPE, that is untrue, incorrect, or incomplete.

### **G. Collection Action:**

I understand if I default on this loan, ACPE may declare the entire unpaid amount of the loan, including interest and fees, immediately due and payable. ACPE may also garnish my Alaska Permanent Fund Dividend or prevent the renewal of an Alaska occupational license held by me. ACPE may also transfer my loan to a collection agency, garnish my wages or assets, and place a lien on my assets for collection of this debt.

### **H. Contract Enforcement:**

I understand acceptance by ACPE of any payment, in whole or in part, of the amounts in arrears will not waive or affect any prior demand for immediate payment of the total balance of this debt. ACPE may delay or fail to exercise or waive any of its rights on any occasion without losing its entitlement to exercise the right at any future time or any future occasion. I waive presentment, demand, notice, protest and other demands and notices in connection with the delivery, acceptance, performance, default or enforcement of this Note.



## Alaska Refinancing Loan 2017/2018 Cosigner Agreement

Provide the Application ID associated to the primary borrower's application and Promissory Note. Application ID#

### BORROWER INFORMATION

Last Name: \_\_\_\_\_ First Name: \_\_\_\_\_ Telephone Number: (     )     -  
Mailing Address (P.O. Box or Street): \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Email Address: \_\_\_\_\_ DL# or State ID#: \_\_\_\_\_ Issuing State: \_\_\_\_\_  
Social Security Number: \_\_\_\_\_ Date of Birth: \_\_\_\_\_ Employment Information: \_\_\_\_\_ Employed \_\_\_\_\_ Not Employed \_\_\_\_\_

### PRIMARY APPLICANT INFORMATION

Last Name: \_\_\_\_\_ First Name: \_\_\_\_\_ Social Security Number: \_\_\_\_\_

### REFERENCES

Provide two separate references with different U.S. addresses. Your references should be someone with whom you expect to remain in regular contact. Your references will be contacted if we need to verify or update your contact information.

**Reference 1** Name: \_\_\_\_\_ Relationship: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_ City, State, Zip: \_\_\_\_\_  
Telephone: \_\_\_\_\_ Email: \_\_\_\_\_

**Reference 2** Name: \_\_\_\_\_ Relationship: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_ City, State, Zip: \_\_\_\_\_  
Telephone: \_\_\_\_\_ Email: \_\_\_\_\_

### COSIGNER AGREEMENT AND PROMISE TO PAY

#### THIS IS A LOAN THAT MUST BE REPAYED

I PROMISE TO PAY to the Alaska Student Loan Corporation the amount originated under the terms of this application and promissory note to discharge the primary borrower's prior loan obligations, plus interest and other charges and fees that may become due. Eligible education loans, not listed on this application, may be included in the refinancing if ACPE receives the loan information prior to approval. I understand ACPE will disclose the final loan balance and terms, for the borrower's approval, prior to the disbursement of funds. I understand this is a loan I am required to repay. I further understand the amount of this loan will be based on the amount paid by ACPE to pay off balance(s) of the loan(s) included for refinancing by ASLC and may exceed otherwise estimated payoff balances. The payoff amount may differ from the estimate because ASLC will include unpaid principal and accrued interest as of the date the refinance loan is originated.

I have read, understood, and will abide by all terms and conditions set forth in this Promissory Note. I understand the terms and conditions apply to me jointly and separately from the primary borrower. I further understand, 1) my liability for the loan begins when the borrower's obligation begins and continues even if the borrower dies, is disabled or has his/her obligation discharged in bankruptcy or canceled before the loan (including interest) is repaid in full; and 2) collection action authorized by law will be taken against me (the cosigner) if this loan becomes delinquent or in default.

I certify I do not have a status at this time that would prevent me from repaying the loan as it becomes due. My obligation to repay this loan will remain in force even if I become totally and permanently disabled. In the event of my death or disability, the primary borrower will remain obligated for the amount due on the loan. ASLC may choose to make a claim against my estate for payment of the amount due. I have read, understood, and will abide by all terms and conditions set forth in this application and promissory note, Cosigner Agreement Packet, and I have retained a copy for my records.

By signing, I certify under penalty of perjury that all information I have provided in support of this application is true to the best of my knowledge and I have sufficient monthly income to repay this debt. I further certify that I meet all eligibility requirements and I am requesting to cosign the refinancing of qualifying loan(s). I agree that any stray marks or notations made to this application and promissory note, in places other than fields requiring applicant completion, will not become part of this agreement. **Note:** A person who makes a false certification has committed a criminal offense.

Signature of Borrower (In Ink): \_\_\_\_\_ Date: \_\_\_\_\_

## Alaska Refinancing Loan Interest Rate & Fees

Your interest rate will be

4.95%

After the starting rate is set, your rate will remain the same over the life of the loan.

### Your Starting Interest Rate (upon approval)

The Alaska Student Loan Corporation (ASLC) will set loan interest rates on or after March 1 of each year. The corporation will establish rates that (A) do not exceed the legal rate of interest applicable in the state to the type of loan; and (B) do not exceed the all-inclusive cost, expressed as a rate on fixed rate debt the corporation incurs to finance or refinance fixed rate loans plus a percentage as determined by the corporation to represent allocable operating and loan servicing expenses, exclusive of costs recovered through the origination fee.

### Your Interest Rate during the life of the loan

**Your rate is fixed.** This means that your rate remains the same over the life of the loan. For more information on this rate, see the reference notes.

### Loan Fees

Origination Fee: No origination fee is charged.

Late Fees: A late fee of up to \$15 may be charged for loan payments 30 days or more past due.

Collection Costs: In the case of default, reasonable collection agency fees and/or collection and legal costs will be charged up to the total cost of debt collection.

## Loan Cost Examples

The total amount you will pay for this loan will vary depending upon when you start to repay it. This example provides estimates based upon three repayment options available to you.

Repayment Option	Amount Provided (Loan balance)	Interest Rate (highest possible starting rate)	Loan Term (how long you have to pay off the loan)	Total Paid (Includes associated fees)
<b>1. 5-Year Refinance Loan</b> With this option, you will have 60 months to repay your outstanding loan balance.	\$10,000	4.95%	<b>5 years</b> Repayment begins within 60 days following loan origination	<b>\$11,308.80</b>
<b>2. 10-Year Refinance Loan</b> With this option, you will have 120 months to repay your outstanding loan balance.	\$10,000	4.95%	<b>10 years</b> Repayment begins within 60 days following loan origination	<b>\$12,698.40</b>
<b>3. 15-Year Refinance Loan</b> With this option, you will have 180 months to repay your outstanding loan balance.	\$10,000	4.95%	<b>15 years</b> Repayment begins within 60 days following loan origination	<b>\$14,187.60</b>

### About this example

The repayment examples above are based on a \$10,000 balance and an interest rate of 4.95%. Each example provides the total cost of repayment for the three repayment terms available. The minimum monthly payment for these examples are as follows: Example 1) \$188.48; Example 2) \$105.82; Example 3) \$100.00.



# Federal Loan Alternatives

Loan Program	Current Interest Rates by Program Type
Federal Direct Consolidation	Weighted average of your outstanding Federal Loans, rounded up to nearest 1/8 of 1%.

## You may qualify for a Federal Direct Consolidation loan.

If you are refinancing any of your Federal education loans, you will lose your Federal loan benefits.

For more information about the benefits, see:

<https://studentaid.ed.gov/sa/types/loans/federal-vs-private>.

## Next Steps

### 1. Find Out About Other Loan Options.

Federal education loans can also be consolidated into a Federal Direct Consolidation Loan, which may provide you with features and benefits not available with non-federal refinancing loans such as this one. For more information about Federal Loan Consolidation options, see: <http://studentaid.ed.gov/sa/repay-loans/consolidation>.

### 2. To Apply for this Loan, Complete the Application and Submit All Required Documentation.

If you are approved for this loan, the loan terms will be available for 30 days (terms will not change during this period, except as permitted by law).

## REFERENCE NOTES

### Fixed Interest Rate

The ASLC will set loan interest rates on or after March 1 of each year. The corporation will establish rates that (A) do not exceed the legal rate of interest applicable in the state to the type of loan; and (B) do not exceed the all-inclusive cost, expressed as a rate on fixed rate debt the corporation incurs to finance or refinance fixed rate loans plus a percentage as determined by the corporation to represent allocable operating and loan servicing expenses, exclusive of costs recovered through the origination fee.

### Bankruptcy Limitations

If you file for bankruptcy, you may still be required to pay back this loan.

### Eligibility Requirements

In order to qualify for this loan, you must:

1. be a U.S. Citizen or permanent resident;
2. be an Alaska resident;
3. be an obligated party or student beneficiary on the loan being refinanced;
4. have a credit history that demonstrates good credit, including a FICO score of at least 720; and
5. be employed or document income sufficient to repay the refinance loan.

### Eligible Loans

To be included in the refinance program, a loan must:

1. have been issued to fund higher education at an institution that is accredited or has been authorized by ACPE. Qualifying loans may include Federal Stafford, PLUS, Consolidation, and state and private education loans;
2. be in grace or repayment status, and be current in repayment; or
3. if borrowed by a family member on behalf of a student, the student must have been an Alaska resident at the time the underlying loan was originated.

### Conditions and Limitations of Loans

Other qualifying requirements and loan limitations include:

1. if the refinancing loan exceeds \$50,000 and the applicant was the student recipient of the underlying loan(s), the applicant must have earned the credential for which the funds were awarded;
2. an applicant refinancing must include all eligible outstanding ACPE state education loans with the option to exclude the Teacher Education Loan (TEL), A.W. Winn Brindle Memorial Scholarship Loan (WB), and the Washington, Wyoming, Alaska, Montana, Idaho (WWAMI) Loan. In addition, all ACPE federal loans may be excluded.